



United States  
Department of  
Agriculture

Agricultural  
Marketing  
Service

P.O. Box 96456  
Washington, DC  
20090-6456

## **AGRICULTURAL MARKETING SERVICE**

### **2002**

The Agricultural Marketing Service includes six commodity divisions--Cotton, Dairy, Fruit and Vegetable, Livestock and Seed, Poultry, and Tobacco. The divisions employ specialists who provide standardization, grading and market news services for those commodities. They enforce such Federal Laws as the Perishable Agricultural Commodities Act and the Federal Seed Act.

AMS commodity divisions also oversee marketing agreements and orders, administer research and promotion programs, and purchase commodities for Federal food programs.

### **CURRENT ISSUES OF INTEREST**

#### **MANDATORY PRICE REPORTING:**

The Act, proposed rule, USDA press release, and comments USDA has received can be viewed over the AMS website at: <http://www.ams.usda.gov/lsg/price.htm>. Several new reports have been added as well as new enhancements that ease downloading information to spreadsheets and data bases. Of major interest is the new Weekly Comprehensive Boxed beef report that provides comprehensive cutout data.

#### **BUSINESS-TO-BUSINESS MARKETPLACE FOR COTTON:**

**The Cotton Program signed a one-year agreement in September 2001 with The Seam, an online business-to-business marketplace for cotton**, to obtain unlimited access to sales recap data (not including information identifying the buyer or the seller). The Seam is a transparent marketplace in which many of the major U.S. cotton merchants, cooperatives, and textile mills have invested. The Seam guarantees each transaction on its site. In return for access to The Seam sales data, which represents an increasing percentage of the U.S. crop, The Seam has access to USDA classing data for each bale offered for sale on its site, thereby guaranteeing that bales offered for sale carry the official USDA classing data. **This agreement was expected to enhance the establishment of spot cotton quotations; it did so to such a degree that the Cotton Program and The Seam signed an open-ended extension of the agreement in September 2002.**

#### **PRICE DISCOVERY:**

Last year, Poultry Market News Branch reviewed the methods in determining the value of shell eggs delivered into retail channels throughout the country. Upon completion of the review, current pricing methods were revised to reflect updates in pricing procedures used by the egg industry.

In addition to revising current pricing methods, Poultry initiated a complete revision of egg pricing schemes in an effort to offer more valuable information to the audience. Upon consulting users in the egg industry, a regional pricing scheme was proposed. A pilot for this new pricing scheme began in August '02.. A full-scale implementation is planned beginning of January '03.

Despite changing the pricing scheme, two individual cities (New York and Chicago) will continue to be

reported as they are currently. However, the 12-Metro will no longer be reported. A new National report involving the four pricing regions (NE, SE, MW and SC) will replace the 12-Metro. The report will no longer include California.

### WEB PORTAL PROJECT:

Fruit and Vegetable Market News is currently working on a project to establish a web portal for Market News information. The portal will be a replacement of the present Market News web site and will provide customized access of Market News data. The web portal will increase functionality and user friendliness, providing a number of additional features for expanding historical data access as well as displaying current data in improved views. The portal will provide ad hoc access to data and the ability to convert searched data into various data and graphical formats for easier use in spreadsheets and other customer applications.

### INTERNET SITE ENHANCEMENTS:

- Direct Trade Historical Livestock Market News Reports can be accessed at <http://www.ams.usda.gov/lsg/directtrade/directtrade.htm>
- International Livestock and meat reports can be accessed at [http://www.ams.usda.gov/lsg/mncs/ls\\_int.htm](http://www.ams.usda.gov/lsg/mncs/ls_int.htm)
- Includes Australia, New Zealand, Canada, Mexico, and Japan.
- Increased the archive capabilities of AMS Market Reports section to include more report days. This will allow industry to access a larger number of historical reports.
- Dairy Market News added a new section for International trade news, found at [www.ams.usda.gov/dairy/mncs/INTER.HTM](http://www.ams.usda.gov/dairy/mncs/INTER.HTM) ; also a new page listing daily reports release days/times, found at [www.ams.usda.gov/dairy/mncs/DMNwires.htm](http://www.ams.usda.gov/dairy/mncs/DMNwires.htm).
- The Milk Marketing Order Statistics web site was significantly expanded to include several additional data series, both the 2001 & 2002 Annual Summaries, and special reports presenting the results of periodic surveys of milk marketing information, found at [www.ams.usda.gov/dairy/mmhos.htm](http://www.ams.usda.gov/dairy/mmhos.htm) .
- An archive of PDF format Fruit and Vegetable Market Reports was added to the Market News web site. The archive consists of 47 composite reports which are regularly published to the web on a daily or weekly basis. Previously, only the latest version of each report was available on the web. Now users can select past reports, most of them dating back to 1998. The archive is accessed through the AMS search engine, which returns a link to the requested report. The website for the PDF archive is <http://www.ams.usda.gov/fv/mncs/fvcomp.htm>.
- **Comment Box on F&V Web site** - The Market News Branch has created a comment box for customer feedback. Market News is reorganizing the way reports are arranged on this Internet site and will add some new Web-based services. Customer and user input or suggestions will help to ensure that users of this site can access the market information they need.
- Poultry Market News added a subscription request form for mailed reports at <http://www.ams.usda.gov/poultry/mncs/SubscriptionForm/index.htm>

- Fruit and Vegetable enhanced the customer service center with online information that will assist industry at <http://www.ams.usda.gov/fv/mktnews.html>
- **The Cotton Program has added the Weekly Cotton Quality Data Files to the Cotton Program's Market News website, where they can be downloaded at no cost.** The Cotton Program decided last year that it could utilize a concept similar to the National Database to offer classing data to the industry and at the same time protect grower anonymity. The Information Technology (IT) Staff created two data files containing raw classing data. They are the Weekly Cotton Quality Data Files. Each file contains the classification information for all bales classed in a given week and contains data for both Upland and Pima cotton. One file identifies each bale by Classing Office. The other file identifies each bale by State. The classing data is stripped of all gin code and gin bale identification and cannot be traced back to individual gins or growers. Two new files are created each week. Users can accumulate season-to-date classings by downloading each week's data files.

## CHANGES TO AMS REPORTS AND NEW REPORTS:

### NEW:

#### Cotton:

- The Cotton Program revised all Market News reports containing Pima quotations and quality measurements. These modifications reflected changes to Pima classification effective with the 2001 crop year. Other reports were modified to enhance presentation of information pertaining to government programs (LDP, AWP, Pima Competitiveness Payment, etc.). All reports of strength premiums and discounts were revised to mirror CCC loan strength categories.
- Extensive software changes were made to facilitate and streamline the collection and reporting of data for the annual Variety Survey and the annual Carryover report. These changes dramatically reduced Classing Office labor in tabulating Carryover data and standardized the reporting of Variety Survey information. More modifications will be needed before next year's surveys, but this year was a very positive first step.

#### Tobacco:

- Tobacco Programs – This year, Tobacco expanded reporting to the volume of contract sales on a weekly basis by grade and State.
- In the 2002 season, Tobacco implemented mandatory tobacco grading of contract and auction sales. This change created the necessity to modify the methods used and the data collected by market news.

#### Dairy:

- Due to industry consolidation and AMS policy concerning the number of reporting firms, the Eastern & Central nonfat dry milk reports were merged into one report. Regional market comments are presented with one inter-regional price range. Order Amendments – several public hearings were held to discuss industry requests for order amendments mainly addressing pooling provisions; final decisions were issued for the Upper Midwest and Mideast orders; decisions for the Central, Pacific Northwest, Western, and Northeast orders are in various stages of development; a decision concerning the Class III & IV price levels is in process.

#### Fruit & Vegetable:

- F&V Idaho Falls began reporting Nebraska potato shipments and the Chicago office is now reporting Wyoming potato shipments.
- F&V Phoenix office is reporting Southern California bell pepper fob, Miscellaneous melon fob for the Desert area, a spinach fob for the Desert area and Arizona (in addition to the existing Central California fob), a Central California green onion fob, and a Central California cabbage fob. Phoenix plans to start bok choy, Chinese cabbage, and sugar pea fobs for California and Arizona this coming year.
- F&V Orlando is now reporting South Africa Clementines and Navel Oranges.

### Poultry:

- Poultry – a one-page weekly summary report that contains market information of particular interest to the Delmarva broiler/fryer industry. The new report is available every Tuesday on the Internet and by fax or e-mail.
- Poultry – a daily report showing volume and prices for broiler/fryer white meat parts marketed on an F.O.B. dock or equivalent basis by North Carolina processors. The daily report covers negotiated trading on about 750,000 pounds of boneless/skinless breasts, tenderloins, and cut wings.
- Poultry – a proposed one-page weekly summary report that contains market information of particular interest to small-volume poultry distributors in the upper Mid-west. The new report will be available every Tuesday on the Internet and by fax or e-mail.
- Poultry – a proposed weekly report showing volume and prices for all young broiler/fryers without neck or giblets (WOGS) delivered into the Central Region of the United States. The report, available every Monday, will be of particular interest to quick serve restaurants and retail grocers that prepare ready-to-eat meals.

### Livestock and Grain:

- **Reports released beginning June 3, 2002:**LM\_XB452 – Weekly Branded Boxed beef products - Negotiated Sales Branded refers to the Upper Two-Thirds of the USDA Choice Grade – shows loads, pounds and individual cuts.
- LM\_XB462 – Weekly Boxed Beef Cuts for Ungraded Product - Negotiated Sales; FOB Plant basis negotiated sales for delivery within 0-21 days including sales since last report. Shows loads, pounds and individual cuts.
- **Reports released beginning June 17, 2002:**LM\_XB454 – Weekly Boxed Beef Cuts - Formulated Sales - FOB Plant basis formulated sales for delivery within 0-21 days including sales since last report; shows loads by grade and individual cuts.
- LM\_XB456 – Weekly Beef Cuts for Prime Product - Negotiated Sales - FOB Plant basis negotiated sales for delivery within 0-21 days including sales since last report; shows loads, pounds and individual cuts.
- **Report released beginning August 12, 2002:**LM\_XB463 – Weekly – comprehensive boxed beef cuts that include all boxed beef reporting types (negotiated 0-21, 21+; formula, and forward) for steer and heifers beef. Individual cuts will not be shown on the report only the values and load counts.
- With the release of these reports, AMS, LSP, Market News will be reporting approximately 60-65% of the boxed beef trade. The remaining processed products are either produced from smaller packers not reporting, represents frozen products sales, product, or product of distressed sales. Before the release of these reports, approximately 25% of the boxed trade was reported.
- **Cattle and Beef – Swine and Pork Summary Reports** - These daily reports, in pdf format, provide summary data with links to the specific reports as well as updated graphs and be access on our Web site at <http://www.ams.usda.gov/lsg/mnacs/index.htm>.
- **Reports available in CSV format** - In addition, four national beef, three national lamb meat reports and one pork report are now available on the site in CSV format which allows users to directly download information into spreadsheets or a database.
- **Additional Meat Reports to be released** - Cow Beef Reports:
  - Daily Boneless Cow Beef and Beef Trimmings
  - Daily Cutter Cow and Boxed Cow Beef
  - Weekly Boneless Cow Beef and Beef Trimmings
  - Weekly Cutter Cow and Boxed Cow Beef

### CHANGES:

- After a continuous run of 56 years, the Broiler/Fryer Market Report, printed three times weekly,

was discontinued as a mailed report on August 1, 2002. The report will continue to be available on the Internet or by fax or e-mail.

- The California Invoice Price was discontinued and in its stead, the California Egg Marketing Association and other egg marketers' benchmark price was added. This change was made to more fully involve the marketers in California in determining egg prices in the state.

## **AMS CONTACTS**

Agricultural Marketing Service:

Web site: <http://www.ams.usda.gov/>

E-Mail to: [AMSWebmaster@usda.gov](mailto:AMSWebmaster@usda.gov) .

<b>ADMINISTRATOR</b> A.J. Yates 202/ 720-5115	
<b><u>Civil Rights Program</u></b> Constance T. Bails 202/ 720-0583 <a href="mailto:Constance.Bails@usda.gov">Constance.Bails@usda.gov</a>	<b><u>Public Affairs Staff</u></b> Billy Cox 202/ 720-8998 <a href="mailto:Billy.Cox@usda.gov">Billy.Cox@usda.gov</a>
<b>Legislative Staff</b> Chris Sarcone 202/ 720-3203 <a href="mailto:Chris.Sarcone@usda.gov">Chris.Sarcone@usda.gov</a>	
<b>Associate Administrator</b> Kenneth C. Clayton 202/ 720-4276 <a href="mailto:Kenneth.Clayton@usda.gov">Kenneth.Clayton@usda.gov</a>	
<u>Cotton Programs</u> Norma McDill 202/ 720-3193	<u>Poultry Programs</u> Howard Magwire 202/ 720-4476 <a href="mailto:Howard.Magwire@usda.gov">Howard.Magwire@usda.gov</a>
<u>Dairy Programs</u> Richard M. McKee 202/ 720-4392 <a href="mailto:Richard.McKee@usda.gov">Richard.McKee@usda.gov</a>	<u>Science and Technology Programs</u> Robert Epstein 202/ 720-5231 <a href="mailto:Robert.Epstein@usda.gov">Robert.Epstein@usda.gov</a>
<u>Fruit and Vegetable Programs</u> Robert C. Keeney 202/ 720-4722 <a href="mailto:Robert.Keeney@usda.gov">Robert.Keeney@usda.gov</a>	<u>Tobacco Programs</u> John P. Duncan III 202/ 205-0567 <a href="mailto:John.Duncan3@usda.gov">John.Duncan3@usda.gov</a>
<u>Livestock and Seed Programs</u> Barry L. Carpenter 202/ 720-5705 <a href="mailto:Barry.Carpenter@usda.gov">Barry.Carpenter@usda.gov</a>	<u>Transportation and Marketing Programs</u> Barbara Robinson 202/ 690-1300 <a href="mailto:barbara.robinson@usda.gov">barbara.robinson@usda.gov</a>
<b>Compliance and Analysis Programs</b> David Lewis 202/ 720-6766 <a href="mailto:David.Lewis@usda.gov">David.Lewis@usda.gov</a>	

MARKET NEWS CONTACTS

Fruit and Vegetable Market News - Terry Long – 202-720-2745; [Terry.Long@usda.gov](mailto:Terry.Long@usda.gov)

Dairy Market News – John Rourke – 202-720-2352; [john.rourke@usda.gov](mailto:john.rourke@usda.gov).

Livestock and Grain Market News – John VanDyke – 202-720-6231; [john.Vandyke@usda.gov](mailto:john.Vandyke@usda.gov)

Poultry Market News – Terry Hunter – 202-720-6911; [grovert.hunter@usda.gov](mailto:grovert.hunter@usda.gov)

Cotton Market News – Stokes Quisenberry – 901-384-3016; [stokes.quisenberry@usda.gov](mailto:stokes.quisenberry@usda.gov)

Tobacco Market News - Henry Martin – 202-205-0337; [henry.martin@usda.gov](mailto:henry.martin@usda.gov)